Mr. Chairman, Members of the Committee:

EXHIBIT NO. 2

DM I MO

For the record, I am Kris Kuehn, Superintendent of Schools for the Malta Public Schools, in Malta, Montana, and Past President of the Montana Rural Education Association.

I stand in support of SB 175 for various reasons. I have been a school superintendent for the past 14 years, and have been somewhat active in the Legislative Process much of that time. The one refrain that I have heard during every Legislative Session is that all of those involved in the Public School Lobby need to "get behind one bill, and support it." By way of an analogy, I have been heard saying, "When was the last time the CEO's of the Big Three Auto Makers, and the United Auto Workers Association ever lobbied for the same legislation?" I need to bite my own tongue, because, for the first time in my fourteen years as a school leader in this state, we find ourselves, doing exactly what has always been asked; all of our professional associations are standing in support of SB 175; as are schools from east to west, urban to rural. SB 175 has been crafted around consensus building which is nearly an impossible task, but one that has been achieved.

Because we live in a "what have you done for me lately" society, let us examine what this bill does for the community I represent. For make no mistake, while I am the Superintendent, I am here representing the community of Malta. The Malta Public School District has the unenviable distinction as the District that levies more mills for its operation than nearly any other school district in the state. We do not raise more money than any school district, obviously, but levy more mills to operate, than any other school district. SB 175 provides a permanent solution to continually escalating property taxes; by way of property tax relief, that is provided by the ever increasing revenue from Natural Resource Development. Phillips County, and Malta School District are blessed and cursed with having a tremendous amount of Federal Lands within our School District Boundaries. Our District receives no assistance in off-setting the loss of property tax revenue by having nearly 55% of the school district owned by either Federal or State Governments. The Department of the Interior owns 47% of the land in the Malta School District. All this adds up to the few that own the 45% of private land to pay for the majority of the operating costs of the school district. Finding ways to reduce the burden on that 45% cannot be viewed as a detriment, no matter how or where the dollars come from.

"We should fund our schools more like Wyoming;" Another popular refrain regarding school funding in the past ten years heard in these hallowed halls. SB 175 has many elements that resemble the Wyoming model of school funding. I do not see this as a bad thing, rather taking advantage of a situation that we have been blessed with. It seems insane to me to not take advantage of an income source that does not appear to be going away anytime soon, to reduce the burden on the people who pay the bills. The worst case scenario is that the oil and natural gas economy busts, and our property taxes are restored to their current levels.

The Malta School District is responsible for educating the 500 students that call our school district home. I believe that we do so in a fiscally responsible manner, and in a method that best prepares our students for competition in a global market. In my mind, the increased budget authority, if it exists, is far overshadowed by the positive benefits of property tax reduction for the people that have steadfastly supported the Malta Public Schools, since before my arrival, and hopefully long after my departure.

Ladies and gentlemen of the Committee, I strongly encourage your support of the great work of the Sponsor, and for the support of Senate Bill 175.